

Message Text

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ACTION AF-08

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-04 H-01
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02
SS-15 USIA-06 NEA-10 MMO-01 OMB-01 EB-08 OES-06
ACDA-07 TRSE-00 IO-13 AGR-05 COME-00 LAB-04
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FM AMEMBASSY PORT LOUIS
TO SECSTATE WASHDC 6584
INFO AMEMBASSY LONDON
AMEMBASSY PARIS
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C O N F I D E N T I A L PORT LOUIS 0318

E.O. 11652: GDS
TAGS: PFOR PINT ECON MP
SUBJECT: MAURITIUS WEEKLY REVIEW - APRIL 1

REF: PORT LOUIS 0289

SUMMARY: PORT LOUIS 317 PROVIDES A SUMMARY OF THIS CABLE.
END SUMMARY.

1. FOREIGN MINISTER WALTER MADE WHAT THE PRESS DESCRIBED AS
A "SLASHING" COUNTER-ATTACK AGAINST THE MAURITIAN MILITANT
MOVEMENT'S (MMM) CRITIQUE OF THE GOVERNMENT'S FOREIGN POLICY,
IN A SPEECH IN THE ASSEMBLY ON MARCH 29. HE WAS ANSWERING
THE SPEECH BY MMM SHADOW FOREIGN MINISTER DE L'ESTRAC
(REFTEL). SIR HAROLD SAID THE MMM IS LIKE ALL THE FROMER
OPPOSITIONS THE LABOR PARTY HAS FACED: IT CAN FIND NOTHING
GOOD TO SAY ABOUT ANYTHING THE GOVERNMENT DOES AND IT INDULGES
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IN DEMAGOGY. HE CHALLENGED THE MMM TO CITE A SINGLE INSTANCE
WHERE THE GOM HAS FAILED TO CARRY OUT ITS OBLIGATIONS TO THE
UN, OAU OR ANY OTHER INTERNATIONAL BODY TO WHICH IT BELONGS.
SANCTIONS WOULD BE APPLIED AGAINST SOUTH AFRICA WHENEVER THE
OAU ADOPTS THEM, HE SAID.

2. THE FOREIGN MINISTER MADE A STOUT DEFENSE OF THE GOVERN-

MENT'S POLICY ON DIEGO GARCIA. HE SUGGESTED THAT THE MMM'S OBSESSION WITH THIS MATTER PERHAPS REFLECTED "GUIDANCE BY THEIR MASTERS," A CLEAR REFERENCE TO THE SOVIET UNION. THE MMM'S LEADERS ALL TALK ABOUT THE AMERICAN DANGER IN THE INDIAN OCEAN, SIR HAROLD SAID, WITHOUT SAYING ANYTHING ABOUT THE SOVIET PRESENCE IN THE AREA, MAKING IT A "ONE-SIDED STORY." THE MINISTER REFERRED TO THE SOVIET BASE IN SOMALIA AND TO THE "50 CRUISERS, 30 DESTROYERS AND 4 AIRCRAFT CARRIERS" OF THE SOVIET UNION THAT CRUISE IN THE INDIAN OCEAN. DID THE MMM MEAN TO SUGGEST THAT THE INDIAN OCEAN SHOULD BE RESERVED FOR "PROGRESSIVE", THAT IS COMMUNIST, COUNTRIES? THE MINISTER ASKED. WALTER QUOTED FAVORABLY A DECLARATION BY AUSTRALIAN PRIME MINISTER FRASER TO THE EFFECT THAT THERE SHOULD BE A BALANCE, AT A LOW LEVEL, BETWEEN THE AMERICAN AND SOVIET MILITARY FORCES IN THE INDIAN OCEAN SO THAT NEITHER GREAT POWER COULD EXERCISE HEGEMONY IN THE AREA. THE GOM CONTINUES TO STRIVE TO MAKE THE INDIAN OCEAN A ZONE OF PEACE, SIR HAROLD CONCLUDED.

3. PRIME MINISTER RAMGOOLAM SHOWED SOME OF HIS OLD VERVE IN AN 80 MINUTE SPEECH IN THE ASSEMBLY ON MARCH 30 ANSWERING THE ATTACKS ON GOVERNMENT POLICY OF THE PAST THREE WEEKS BY THE LEADERS OF THE MMM. RAM PASSED IN REVIEW ALL THE ACCOMPLISHMENTS OF HIS GOVERNMENT SINCE INDEPENDENCE TO PROVE THAT IT HAS ACHIEVED ECONOMIC PROSPERITY, A HIGH LEVEL OF EMPLOYMENT, AND LOW INFLATION, WHILE CREATING A WELFARE STATE AND PRESERVING DEMOCRACY. ONLY HALF JOKINGLY HE INVITED THE MMM TO JOIN THE GOVERNMENT IN CREATING A "GRAND NATIONAL ALLIANCE."

4. 205,000 URBAN VOTERS ARE ELIGIBLE TO VOTE IN THE APRIL 24
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MUNICIPAL ELECTIONS: 72,000 IN PORT LOUIS; 45,000 IN BEAU BASSIN; 30,000 IN CUREPIPE; 29,000 IN QUATRE BORNES; AND 28,000 IN VACOAS. SEVEN CANDIDATES FOR MUNICIPAL COUNCIL SEATS WITHDREW BY THE DEADLINE, LEAVING 261 IN THE RACE FOR THE 126 SEATS. IN THREE WARDS THE GOVERNMENT COALITION IS PRESENTING FEWER CANDIDATES THAN THERE ARE SEATS, WHICH MEANS THAT IT IS PERMITTING THE MMM TO WIN SOME SEATS UNCONTESTED. THE CAUSE OF THIS SITUATION WAS APPARENTLY SIMPLE DISORGANIZATION.

5. THE GOVERNMENT COALITION LAUNCHED ITS MUNICIPAL ELECTION CAMPAIGN IN CUREPIPE WITH AGRICULTURE MINISTER BOOLELL AND PMSD LEADER DUVAL AS THE MAIN SPEAKERS. BOOLELL SAID THE RESULTS OF THESE ELECTIONS WILL INDICATE WHETHER MAURITIUS WILL "SLIDE TOWARD COMMUNISM" AND THEY ARE THEREFORE AS IMPORTANT AS THE DECEMBER GENERAL ELECTIONS. HE SAID THE MMM WISHES TO STOP ALL PROGRESS AND IS GUIDED BY FOREIGN POWERS, SOME OF WHICH FINANCE THE PARTY. BOOLELL SAID THE MMM'S PROGRAM OF NATIONALIZATION WOULD DRIVE AWAY FOREIGN INVESTORS WHO PROVIDE JOBS AND FOREIGN EXCHANGE EARNINGS. HE ALSO BLAMED

THE PORT CONGESTION ON THE MMM AND SAID IF THE COUNTRY'S SUGAR DOES NOT REACH MARKET IN TIME, THAT WILL BE THE END OF THE PREFERENTIAL AGREEMENT WITH THE COMMON MARKET. DUVAL, WHO IS A CANDIDATE IN CUREPIPE, APPEALED FOR SUPPORT TO PERMIT HIM TO MAKE A COMEBACK IN THE TOWN WHICH IS CONSIDERED A PMSD STRONGHOLD. HE DESCRIBED THE ELECTION AS A PLAIN CONTEST BETWEEN THE "COMMUNISTS" OF THE MMM AND THE GOVERNMENT COALITION.

6. A LABOR DEPUTY NAMED CHETTIAR THREATENED TO LEAVE THE PARTY AND BECOME AN INDEPENDENT DEPUTY BECAUSE HE DIDN'T RECEIVE THE POST OF CHIEF LABOR WHIP HE WANTED. THE CHOSEN WHIP, BOODHOO, WAS THEN PREVAILED UPON TO CEDE THE POST TO CHETTIAR AND HE STAYED WITH LABOR. THIS MINOR DISPUTE INDICATES THE WEAKNESS OF THE PRESENT GOVERNMENT, WHICH IS VULNERABLE TO SUCH THREATS BECAUSE OF ITS THIN TWO-SEAT ASSEMBLY MAJORITY.

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7. MMM LEADER BERENGER DEPARTED MARCH 26 FOR A THREE-DAY VISIT TO THE SYECHELLES, WHERE, ACCORDING TO THE PRESS, HE WAS TO DISCUSS HIS PLAN FOR A CONFERENCE OF INDIAN OCEAN "PROGRESSIVE PARTIES" WITH SPUP LEADER RENE. ON HIS RETURN BERENGER SAID HE HAD HAD "EXTREMELY POSITIVE" TALKS WITH RENE AND HAD ALSO BEEN RECEIVED BY PRESIDENT MANCHAM FOR LUNCH. BERENGER PLANS A TRIP TO MADAGASCAR TO PURSUE HIS PLAN FOR A CONFERENCE OF "PROGRESSIVE" PARTIES.

8. LE MILITANT, ORGAN OF THE MMM, PUBLISHED A "STRICTLY CONFIDENTIAL REPORT ON THE POLITICAL SITUATION PREPARED BY THE PUBLIC RELATIONS OFFICE OF THE SUGAR INDUSTRY. THE REPORT WAS CRITICAL OF BOTH THE LABOR PARTY AND THE PMSD. THE REPORT SAID LABOR IS WORN OUT, CUT OFF FROM ITS TRADITIONAL ELECTORATE, LACKING IN UNDERSTANDING OF ITS ERRORS, IN DYNAMISM AND IN VISION, WEAKENED AND DISORGANIZED, ITS MISTAKES EXPLOITED BY ITS ADVERSARIES AND ITS FUTURE IN DOUBT. THE PMSD WAS NEARLY WIPED OUT, ACCORDING TO THE REPORT, NO LONGER HAS A BASE, AND RESORTED TO A NEGATIVE PLATFORM OF ANTI-COMMUNISM WHICH HAD LITTLE APPEAL TO AN ELECTORATE THIRSTY FOR CHANGE. NO PARTY ALLIED WITH CAPITALISM HAS A CHANCE IN MAURITIUS, THE REPORT STATED, AS PROVED BY THE PMSD. LE MILITANT READ SOME OF THE REPORT'S COMMENT AS FAVORABLE TO THE MMM, NAMELY THAT IT IS WELL ORGANIZED, HAS BUILT A SOLID BASE, AND KNOWS HOW TO TAKE ADVANTAGE OF THE MISTAKES OF OTHERS. STILL, THE THEME OF THE REPORT IS THAT THE SUGAR INDUSTRY MUST URGENTLY UNDERTAKE SOME REFORMS IN ORDER TO PREVENT A SLIDE TOWARD COMMUNISM (THE MMM). THESE REFORMS MUST BE TAKEN BEFORE NEW ELECTIONS, THE REPORT EMPHASIZES, AND THEY COULD TAKE PLACE AT ANY MOMENT BECAUSE OF THE PRESENT POLITICAL INSTABILITY. THE REPORT GOES SO FAR AS TO RECOMMEND CHANGES IN THE OWNERSHIP

OF THE SUGAR INDUSTRY, WHICH IT SAYS MUST KEEP PACE WITH THE SOCIO-ECONOMIC EVOLUTION OF THE COUNTRY. THE AUTHOR OF THE REPORT SENT A LETTER TO LE MILITANT CLAIMING THEY HAD FALSIFIED PARTS OF THE REPORT, BUT HE FAILED TO PROVIDE SPECIFICS.

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9. THE CONSUMER PRICE INDEX ROSE NEARLY 2 PERCENT IN JANUARY. AT THE SAME TIME, SECONDARY SCHOOL TUITION WAS REMOVED FROM THE INDEX AS SCHOOL FEES BEGAN TO BE PAID BY THE GOVERNMENT, SO PARENTS OF SECONDARY SCHOOL CHILDREN ACTUALLY EXPERIENCED A FALL IN THEIR COST OF LIVING.

10. THE WEAKNESS OF THE MAURITIUS STOCK MARKET, EVIDENT SINCE THE DECEMBER ELECTIONS, HAS CONTINUED TO MANIFEST A LACK OF INVESTOR CONFIDENCE IN THE FUTURE OF THE COUNTRY'S PRIVATE SECTOR. BUYERS WERE FOUND FOR ONLY THREE OF 18 ISSUES OFFERED FOR SALE ON MARCH 30. INVESTORS APPARENTLY FEAR THE POSSIBILITY OF THE MMM COMING TO POWER AND IMPLEMENTING ITS PROGRAM OF MAJOR NATIONALIZATIONS.

11. THE METEOROLOGICAL SERVICE REPORTS A SERIOUS LACK OF RAIN IN FEBRUARY AND MARCH, AFTER EXCESSIVE RAIN IN JANUARY. RAINFALL HAS BEEN TWO TO FIVE INCHES BELOW NORMAL IN FEBRUARY AND THREE TO FIVE INCHES SHORT IN MARCH. SHOULD THIS SITUATION CONTINUE INTO APRIL, IT WILL BE CLASSIFIED AS A DROUGHT AND WILL HAVE SERIOUS CONSEQUENCES FOR THE SUGAR CROP.

12. PRIME MINISTER RAMGOOLAM HAS TOLD THE ASSEMBLY THAT THE PORT CONGESTION HAS ALREADY COST THE GOVERNMENT AND THE PRIVATE SECTOR AT LEAST ONE MILLION RUPEES IN DEMURRAGE CHARGES.

13. FOR INFO ADDRESSES: PLEASE ADVISE IF YOU WISH TO CONTINUE RECEIVING THIS WEEKLY REPORT. NEGATIVE REPLIES REQUESTED. YOU MAY PREFER TO RECEIVE INSTEAD TWO TO THREE PARAGRAPH SUMMARY CABLE, WHICH WE HAVE BEEN SENDING TO DEPARTMENT ONLY.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PORTL00318
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770112-0392
Format: TEL
From: PORT LOUIS
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770498/aaaadhfi.tel
Line Count: 212
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6a9d8bab-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 PORT LOUIS 289
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2926066
Secure: OPEN
Status: NATIVE
Subject: MAURITIUS WEEKLY REVIEW - APRIL 1
TAGS: PFOR, PINT, ECON, MP, (WALTER, HAROLD EDWARD), (DE L'ESTRAC)
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/6a9d8bab-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009